



UNIVERSITY OF MAINE AT FARMINGTON
COLLEGE OF EDUCATION, HEALTH AND REHABILITATION

LESSON PLAN FORMAT

Teacher's Name: Daniel Cox
Grade Level: 9 - Diploma

Date of Lesson: Lesson 3
Topic: Civil War and Reconstruction

Objectives

Student will understand that Confederacy's inability to trade during the Civil War led to their ultimate failure.

Student will know how the trade relations during the Civil War compare and contrast to the current trade deficits and how that is impacting the current war efforts in Iraq and Afghanistan.

Student will be able to decide if the South had better trade relations with France and England what impact that would have made during the Civil War.

Maine Learning Results Alignment

History

Historical Knowledge, Concepts, Themes, and Patterns

Grade 9- Diploma

Students understand major eras, major enduring themes, and historic influences in United States and world history, including the roots of democratic philosophy ideals and institutions in the world.

b. Analyze and critique major historical eras, major enduring themes, turning points, events, consequences, and people in the history of the United States and the world and the implications for the present and future.

Rationale

The students will want to understand the reasoning behind the trade difficulties in the South during the Civil War and the impact that they had on the outcome of the war. By applying this information the current budget deficit students will have a better understanding of how the United States has slipped further into a trade deficit and what impact that could have on their lives.

Assessment

Formative (Assessment for Learning)

Students will pass in their Tree graphic organizer with the highlighted sections to see what they knew or thought they knew prior to the start of the lesson and compare that to what is newly learned information.

Summative (Assessment of Learning)

Blog entry in their blog account reflecting what they learned during the class and why they think it will apply to the real world and what impact their learning will have on their lives.

Integration

English- group and classroom discussion

Technological- web search on trade goods and value during the Civil War

Mathematics- calculating the monetary amounts gained through trade, calculating the overall effectiveness of crops in the South

Groupings

Students will self-segregate into two groups in the classroom. This arrangement will be set up as the students enter the class and will allow for the discussion and lecture on trade and how it impacted the Southern economy during the Civil War.

Differentiated Instruction

Strategies:

Linguistic: class and group discussions

Logical: analyzing graphs and information regarding trading and trade deficits

Spatial: studying graphs

Kinesthetic: moving into groups

Musical: playing 'Money' as part of the hook

Interpersonal: group work, class discussion

Intrapersonal: blog activity, assessing impact on themselves

Modifications/Accommodations

I will review students IEP, 504 or ELLIDEP and make appropriate accommodations. Students that miss any class instruction time will be responsible for contacting the teacher to receive any handouts and to ensure that the student is comfortable with the material covered. The student will be further responsible for getting any notes missed from a fellow student. If an assessment is missed the student will contact the teacher to ensure the assessment, or an alternative assignment, is made up as soon as possible to ensure the student maintains pace with the class.

Extensions

Student expectation is to maintain a weekly blog that they will update throughout the semester over all topics covered in class. Students will have to look at the price of cotton at the outset of the war and compare with the price of oil at the outset of the conflict in Iraq and blog about any similarities they note. The students will be able to draw clear parallels to their lives and how they are being impacted with how the lives of Southerners were impacted by the Civil War.

Materials, Resources and Technology

Laptops-one per student

Wireless internet network

Textbook

Notebooks

Pens/Pencils

Syllabus

Blogspot.com

Student Blog Spreadsheet
Tree graphic organizer
Student manila folders
Ipod with 'Money' loaded ready to play
Stereo speakers
LCD projector

Source for Lesson Plan and Research

[Trade embargo and blockade](#)
[King Cotton](#)
Cotton trade article
[History Channel blog](#)
[Brief overview of Confederacy](#)

Maine Standards for Initial Teacher Certification and Rationale

Standard 3 - Demonstrates a knowledge of the diverse ways in which students learn and develop by providing learning opportunities that support their intellectual, physical, emotional, social, and cultural development.

Rationale: This standard will be addressed through the students working in groups and providing peer feedback as well as class feedback. Students will be encouraged to share their thoughts and feelings in an open atmosphere. Students will be given material that not only is reflective in nature but also current and applicable to their everyday lives and situations. By assessing the trade issues in the Confederacy the students will gain a better perspective to how the current cost of conflict in Iraq and Afghanistan are driving the United States' economic downturn. They will be able to link the prospect of war with the negative consequences to the people and the economy, not solely the death toll.

- ***Standard 4 - Plans instruction based upon knowledge of subject matter, students, curriculum goals, and learning and development theory.***

Rationale: Standard Four will be addressed through internet research and the ability to get more material for the students to address and evaluate as they consider the larger theory of how the economy and war are linked. Through research and extensive reading, the instructor can better focus the discussions during the class on events and not emotions that brought about the trade deficits and the collapse of the Confederate economy. Through evidence examination there can be parallels drawn between the current economic crisis and the crisis facing the people living in the Confederacy which will allow the students to more accurately associate with the struggles of living in the Confederacy, whether or not you believed in the institution of slavery.

- ***Standard 5 - Understands and uses a variety of instructional strategies and appropriate technology to meet students' needs.***

Rationale: Standard Five will be addressed through the use of the internet and the application of various software that will allow for a closer examination of trade and trade values during the Civil War. Students will be expected to perform internet searches that yield information that they can utilize to input into spreadsheets for analytical information. They will then be responsible for looking at how the current economic forecasts are being impacted by the conflicts in Iraq and Afghanistan and what that will mean in both short-term and long-term effects for the students. This will drive the students to better understand how the Confederacy was so greatly impacted by the lack of trade and the cost of war.

- ***Standard 8 - Understands and uses a variety of formal and informal assessment strategies to evaluate and support the development of the learner.***

Rationale: This standard will be addressed by using of a Tree graphic organizer which they will put previous learning on one side of the organizer as an informal assessment of where each students' learning weaknesses are. This will also allow the students a visual representation of what they have learned through class discussions and internet searches. This is a good way for students to have a sense of accomplishment through a no penalty assessment. The summative assessment of utilizing a blog entry of what they learned and how they can apply this new learning to their lives will allow the students the opportunity to self-reflect and analyze as well as potentially think of changes that they can make in their lives.

Teaching and Learning Sequence:

Agenda:

Attendance/Students settle in
Listen to the song
Clarifying questions/concerns from Lesson 2
Begin role-play of North and South
Transition role-play to England and South
Review summative assessment
Preview Lesson 4

Students will enter the classroom while the song 'Money' is playing to find the class in the usual horseshoe arrangement. This will help set the tone for the concept of the class discussion which will be money, both in modern terms and during the lead in to the Civil War. The students will understand that the current trade deficit and that of the Confederacy have close similarities and we will explore those during class. Following attendance and passing back the assessments from Lesson 2, time will be given to the students to discuss and clarify any issues from that assessment. Students will be given time to take out their tree organizer and begin filling in what they know regarding the trading that took place prior to the Civil War and what impact they think it had along the left hand branches, leaving the right open for new information. **Where, Why, Hook, Equip, Explore, Experience, Rethink, Evaluate Tailor: Linguistic, Kinesthetic, Musical, Interpersonal, and Intrapersonal** (15 minutes)

After the conclusion of the discussion on the assessment and Lesson 2, I will explain to the class the rationale that half of the class is going to be North and the other half would be portraying the South. The students will then be split down the middle of the horseshoe and instructed to move into the larger group and face each other with the middle of the floor open. The half that is portraying the South will be required to attempt to establish a trade relationship with the North. We will begin discussing what crops would have been useful to the North and what they have to trade back to the South for those goods. This will help to bring into context the tense but necessary relationships that existed prior to the start of the Civil War. **Why, What, Equip, Rethink, Revise, Tailor: Linguistic, Logical, Spatial, Kinesthetic, Musical, Interpersonal, and Intrapersonal** (30 minutes)

As the lesson progresses the students that are acting as the North will act as England and again the South has to establish a trade relationship with them. The students from both the 'Confederacy' and 'England' will be instructed to keep in mind what goods the South would need in order to wage war against the North. 'England' will be given two different scenarios when considering trade negotiations.

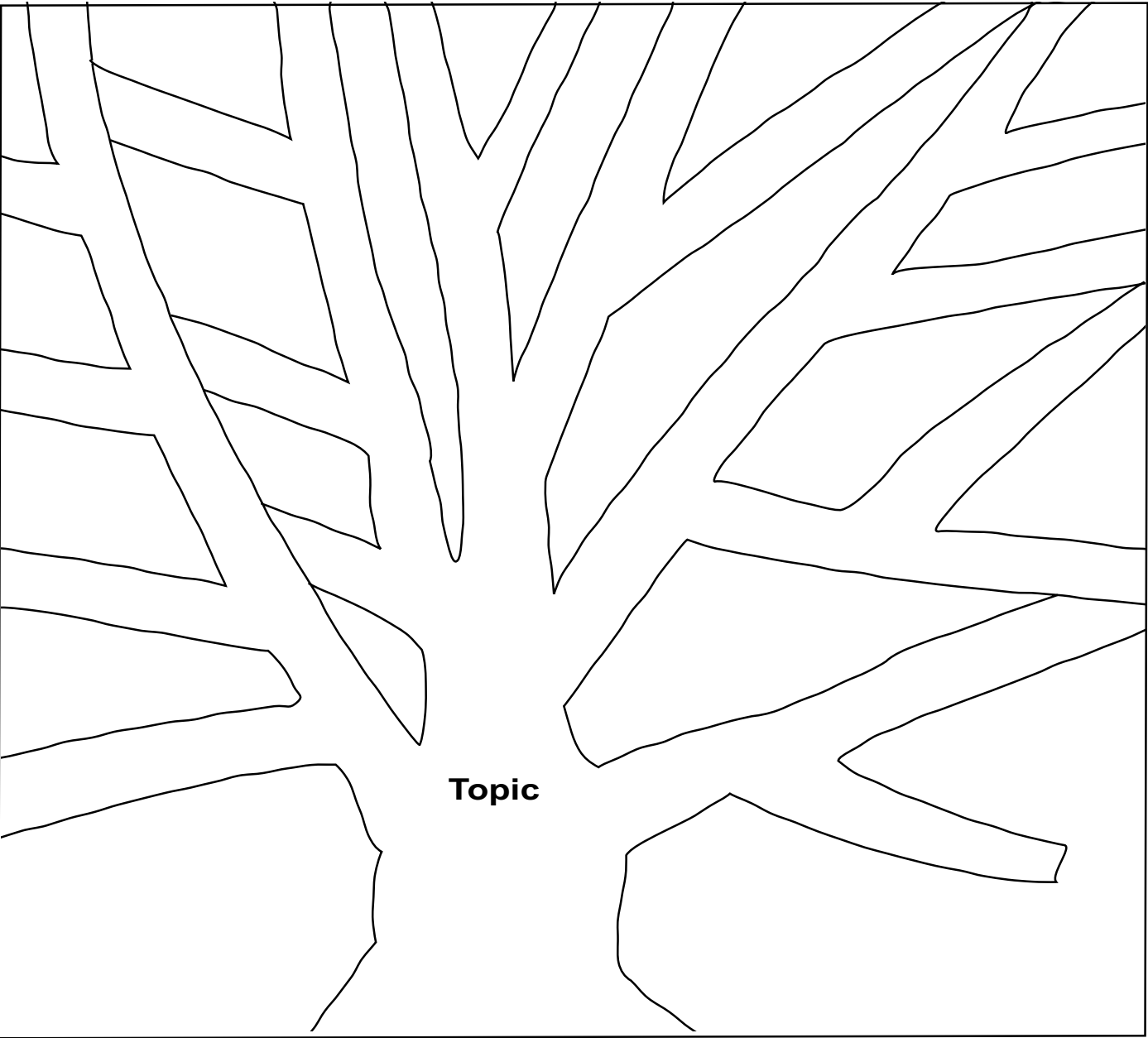
The first will be the actual historical events where England rebuffs the Confederacy because of slavery and begins pushing the Egyptian colony to produce more cotton, which by today's standard is a more highly regarded blend of cotton. The second scenario to be considered will be what if the Egyptian colonies had not been able to produce the cotton in the demand needed and England would have been forced to continue a trade relationship with the Confederacy. These differing scenarios will force both the 'Confederacy' and 'England' to look at each other in a different light and change their approach on how they negotiate with each other for the best price and for the best exchange of goods for each. **Why, Equip, Experience, Rethink, Revise, Tailor: Linguistic, Logical, Interpersonal, and Intrapersonal** (25 minutes)

The class will close with a wrap up discussion on trade and what that meant to the Confederacy and clarify any lingering questions. Introduction will be given to Lesson 4 and letting the students know we will be discussing battles during the next class period. Instruction will be given that their blog entry as their summative assessment will be due prior to the start of the next class. **Where, Why, Equip, Experience, Tailor: Linguistic, Interpersonal, Intrapersonal** (10 minutes)

Reflection:

Tree Chart

Write the details on the branches.



Traders or Traitors: Northern Cotton Trading During the Civil War

David G. Surdam¹

*Department of Economics
Loyola University of Chicago*

During the American Civil War, the Lincoln administration promoted trade with southerners for a variety of reasons. The trade was controversial, especially as the Confederate government received critical supplies in exchange for southern staple products. Lincoln's contemporaries were contemptuous about these policies. A Congressional investigation concluded that the trade:

induced a spirit of speculation and plunder among the people, who have entered into a disgraceful scramble for wealth during a time of war, waged to save the life of the nation, and has fed that greed of gain which must wound the public morals....It is believed to have led to the prolongation of the war, and to have cost the country thousands of lives and millions upon millions of treasure [U.S. House, 1864-65, pp. 1-2].

The *New York Herald* published an "expose" about the inter-belligerent trade. The paper claimed that prominent northerners, including some with the connivance of Treasury Department officials, were involved with the trade, concluding that the rebellion, "was kept alive and the war prolonged by villainies carried on from our side [of] the lines by a league of the copperheads and of corrupt men in the confidence of the government" [New York *Herald*, 21 July 1865, pp. 2 and 4].

Why did northerners trade with southerners? Were the traders experienced cotton dealers, or did the wartime trade create new participants? Was the *Herald's* accusation that these traders were Copperheads accurate? Was the paper's other assertion that Treasury agents were corrupt accurate? What role did President Lincoln have in the trade?

The Potential Profitability of Trading Cotton

The non-intercourse edicts passed by both Federal and Confederate governments combined with the Union navy's blockade's growing effectiveness to create large changes in the terms of trade for northern and southern produce. In the North, raw cotton's purchasing power over northern provisions increased

¹ I thank John Hoag, Timothy Fuerst, and participants at the Business History Conference for their helpful comments.

sharply during the war, while, concurrently, raw cotton's purchasing power over similar provisions decreased in the South [*Hunt's Merchants' Magazine*, 1865, Vol. 52, pp. 121-22; Lerner, 1954, pp. 139, 146]. Clearly, any merchant who could cheaply get cotton to New York or provisions to the South stood to make a handsome profit. New York resident Charles Gould, who had declined to participate in such a venture, described the potential profits from trading cotton. For an initial \$100 in greenbacks, one could buy a 400-lb. bale of cotton in the South. The bale would be worth \$500 in greenbacks in the New York market. Since the government paid only three-quarters the current New York price under the terms of the September 1864 regulations, the trader received only \$375. The trader could then take goods worth one-third of this amount back to the Confederacy. For \$125, the northern trader could purchase 568 pounds of bacon at twenty-two cents per pound. Southerners were willing to pay \$6 per pound (in Confederate currency) for bacon. With the \$3,408 in Confederate currency, the northern trader could purchase 2,180 pounds of cotton at \$1.25 in Confederate currency (subtracting the Confederate discount of 20%, reducing the \$3,408 to \$2,726.40). Still, the trader would receive over \$2,000 in greenbacks after selling the cotton and remitting the one-fourth portion to the government [U.S. House, 1864-65, p. 18].

Gould's description did not factor in transportation costs. The blockade and non-intercourse edicts raised the differences between prices of a pound of cotton at southern ports and at Liverpool or New York from the usual peacetime difference of one or two cents per pound to fifty cents per pound. In addition, the non-intercourse edicts theoretically meant that a trader who violated the law could lose his load and his freedom. However, a trader who received official permission to trade and who received, perhaps, military assistance in getting himself and his goods across the military frontier faced greatly reduced transportation costs. Such a trader stood to earn great profits, especially if the trade was constricted (thereby keeping prices high). The scarce trade permits became valuable property rights, and the selection of an allocation mechanism was crucial in avoiding cronyism and bribery.

Why The Federal Government Allowed Trade

The Federal government implemented its naval blockade to prevent southerners from earning revenue by exporting their staple products and to prevent them from freely importing needed manufactured goods and provisions. However, there were several compelling reasons for northerners to get raw cotton. First, southerners and northerners alike thought that Europeans might intervene if their cotton textile manufacturers were deprived of raw cotton. Indeed, such a belief inspired the South's informal embargo on exports of raw cotton during 1861-62. Northerners hoped to capture a southern port and open an outlet for raw cotton, thereby relieving pressure for European governments to intervene. Second, many northerners, Lincoln included, believed that latent Unionism was strong throughout the Confederacy but especially in

the border states. To foster such Unionism, Lincoln countenanced small amounts of trade to succor loyalists in occupied areas such as Norfolk, Memphis, and New Orleans. Third, northern textile manufacturers needed raw cotton to remain in business. In addition, northerners might export cotton to Europe for badly needed specie. A leader of the cotton manufacturers, Edward Atkinson, persuaded Lincoln to loosen restrictions on between-the-lines trading. Atkinson argued that the increased price of raw cotton in New York meant that southerners were receiving the same revenue as they did before the war, so the North might as well engage in trading for cotton and get some badly needed specie [Futrell, 1950, p. 417; Welles, 1911, Vol. II, pp. 66-67]. Lincoln repeated Atkinson's thoughts in his response to General Edward Canby (who opposed the between-the-lines trade) in late 1864. He also claimed that southerners benefited more from trading through the blockade (with Europeans) than by trading with northerners:

Better give him guns for it than let him, as now, get both guns and ammunition for it....And if pecuniary greed can be made to aid us in such effort, let us be thankful that so much good can be got out of pecuniary greed [Lincoln, 1953, Vol. VIII, pp. 163-64].

Lincoln's arguments were specious. The blockade-induced increase in transportation costs raised the average real price of cotton three and four-fold in New York and in Great Britain, but such increased real prices did not help cotton growers much [Donnell, 1872, pp. 532 and 536]. The blockade also reduced the volume of raw cotton exports; such exports were only one-eighth (during 1864) the South's pre-war volume, so southern revenue from raw cotton fell sharply. Indeed, the terms of trade from between-the-lines exchange were more advantageous for the Confederacy than running cotton through the blockade, especially when the southerners received goods instead of greenbacks or gold for cotton; northern traders, too, received improved terms of trade from the sanctioned trade. By permitting such between-the-lines trade, the Federal authorities were allowing the Confederates to negate the effects of the blockade. So, Lincoln's admonition about Europeans giving "guns and ammunition" for raw cotton was reversed, and it was northern traders who were giving up guns and ammunition while Europeans gave up only guns. Nor did southerners immediately switch labor from producing cotton to other endeavors, and the crop of 1861-62 was about the same size as the previous one. Eventually southerners switched labor from growing cotton to other pursuits, but the savings in labor was not as beneficial as Lincoln portrayed.²

² Southern growers probably produced between six and seven million bales of cotton during the war. Southerners destroyed perhaps 50% of these bales to prevent capture by Union forces [Lebergott, 1981, pp. 88-83]. Some cabinet members opposed the trade [Welles, 1911, Vol. I, pp. 79-80, 167, 283, 304, 334-35, 339-40; Bates, 1933, pp. 414, 427].

With the capture of New Orleans, Memphis, and Norfolk in early 1862, overland trade in cotton became feasible.³ At first, the administration relied on a system of licenses regulating the participants in the trade. Eventually, in order to minimize southern gains from trade, the administration devised a system where Treasury officials would pay three-fourths of the current market price for cotton. Traders could take non-contraband merchandise to exchange with southerners for cotton, but only up to one-third of the value of the cotton. Although gold was sometimes used to purchase cotton, the regulations were altered to substitute Greenbacks for gold. These restrictions discouraged southerners from trading cotton, but the restrictions never completely squelched southern willingness to trade. Of course, northern traders were not pleased with the restrictions, either. However, trading goods for cotton remained a profitable venture for them [Lincoln, 1953, Vol. VIII, pp. 20-22; Chase, 1954, pp. 143-44].

The spate of permits issued in late 1864 and early 1865 encountered changing market conditions: Cotton prices began skidding as northern victory became more likely. For government agents buying cotton, this presented a problem. Purchasing at the current market price entailed a large risk that by the time the cotton reached northern buyers, the price would fall sufficiently that, even with the 25% tax, the government would take a loss. New York cotton prices fell from \$1.90 per pound to \$1.05 between August and October 1864. While the prices rebounded to \$1.41 in November, they began a decline to 85 cents in February and below forty cents by early April 1865 [U.S. House, 1864-65, pp. 202-203; Donnell, 1872, pp. 532, 536]. For northern traders, the war's imminent conclusion reduced fears that trading with southerners would unduly help the southern war effort while increasing fears that cotton's inordinate profitability would diminish.

Despite the frenetic activity of cotton traders, the Purchasing Act of July 1864 (embodied in Treasury Secretary William Fessenden's and Lincoln's orders of late September) resulted in the purchase of fewer than 55,000 bales (out of the 1.5 to 2.0 million 400-lb. bales of cotton purchased by European and northern buyers during the war) [U.S. House, 1866-67, p. 6]. The most compelling reasons for obtaining cotton—fostering Unionists in the South, deterring foreign intervention, supplying Union troops with uniforms and tents, and selling cotton to Europeans for gold—were probably moot by 1864, but European and northern buyers purchased over half a million bales during 1864 alone. The acts of mid-1864 and the attendant "cotton rush" did not greatly serve national interests and may have prolonged the war [Surdam, 1994, p. 30].

Who Received The Trade Permits

The permit system was designed to forestall anyone or any group from monopolizing the cotton trade; Lincoln was adamant that the trade be opened

³ Prior to these captures, northern textile manufacturers would have had to smuggle cotton through the Federal blockade. Corrupt customhouse agents and lax consuls aided such illicit trade [Johnson, 1967, pp. 32-34 and Hartman, 1957, pp. 448-49].

to all loyal citizens [Futrell, 1950, pp. 422-23]. To insure that the trade was open and fair, a Treasury agent had to investigate the loyalty of the applicant (and whether the applicant truly owned or controlled cotton in the South) before approving the permits. While the granting of permits might have been an open process, some people faced an "opener" process than others. The system depended upon the integrity and diligence of the Treasury agents. Such agents needed to be pillars of rectitude to withstand the blandishments of prospective traders. Such blandishments need not be mere cash. Prominent administration officials, politicians, and businessmen lobbied to have their associates appointed Treasury agents, and, in return for these political favors, agents no doubt displayed favoritism in approving some permits or in granting approval rapidly.

Some agents, such as Hanson Risley, were lax in enforcing the regulations. Many of the traders chose to misrepresent their ownership or control, preferring to get the permit and then finding cotton "to own or control." In some cases, the applications were patently false. Lincoln's friend, Leonard Swett, received three permits on 7 December 1864 for a combined 150,000 bales of cotton. These permits covered cotton in every state of the Confederacy except Virginia and North Carolina. How an Illinois resident "owned or controlled" cotton in so wide an area was not seriously questioned by Risley. Lincoln's sometime bodyguard, Provost-marshal Ward Lamon of Illinois, recommended that his brother, Robert, receive permits for a more modest 50,000 bales of cotton, also widely scattered throughout the Confederacy. Samuel Noble, a Georgia planter representing a group of Georgia growers, applied for and received a permit to bring out 250,000 bales of cotton from four states [U.S. House, 1864-65, pp. 170-73, 176, 180]. Risley approved Noble's application because the southerner was accompanied by Ward Lamon and because he possessed references from both President Lincoln and a Georgia clergyman who had a brother in New York. Risley testified before the Congressional investigation that he granted applications based on the applicant's appearance, "from his surroundings and from those who brought him to me" [U.S. House, 1864-65, pp. 169, 174-75, 204]. During a three month period at the end of 1864 and beginning of 1865, the enthusiastic Risley issued permits to traders covering over 900,000 bales of cotton. Men recommended by the President or Thurlow Weed controlled the vast majority of these bales. Fortunately for the Union cause, the war ended before many of these bales were shipped from the South. Risley finally admitted that he erred in issuing so many permits [U.S. House, 1864-65, pp. 170-73, 184].

President Lincoln personally recommended some applicants for trade permits [Lincoln, 1953, Vol. VIII, p. 35]. As the war continued, requests for Lincoln to approve permits or issue executive orders regarding trade accelerated. Lincoln approved all of the requests made by friends and family, or at least all requests where he explicitly identified someone as a friend or a relative (including several in-laws). Although Lincoln also approved permits or issued orders on behalf of people not identified as friends or family, of those whose requests he denied no one was identified as friends or family. In denying some

requests, Lincoln alluded to a likely rationale employed by traders: "I know it is thought that one case is not much, but how can I favor one and deny another" [Lincoln, 1953, Vol. VI, p. 307, see also pp. 294, 507].

The lure of spectacular profits proved too much for even patriotic men. Thurlow Weed, Leonard Swett, Benjamin Butler, and most of the others were undoubtedly staunch believers in the Union. One can imagine that they rationalized their actions in two ways. First, the Lincoln administration stated that obtaining cotton was necessary. Therefore, a trader might believe that he was doing good by doing well: filling his coffers by getting cotton from southerners and helping the national interest to boot. Second, even if the traders recognized the absurdity of the administration's announcements concerning cotton, each individual trader probably thought that his "mite" of trade did not particularly injure the Union cause while making him wealthy.

New York lobbyist Thurlow Weed was a friend of Treasury agent Risley, who assigned trading permits. Weed's biographer, Glyndon Van Deusen, believes that Weed made a large amount of money in the trade. While defending Weed's patriotism, Van Deusen conceded that Weed's Civil War financial dealings were questionable and weakly concluded that, "there was probably as little shoddy in Weed's fortune as there was in any of those made during his period" [Van Deusen, 1947, pp. 288-89 and 294]. Certainly Weed was aware of the opprobrium attached to the cotton trade. Then New York governor Edwin Morgan had told him that the trade was fraudulent enough, "to destroy any administration at any other time" [Johnson, 1966, pp. 102-103]. And, indeed, Weed hesitated before getting involved. He possessed a trading permit in early 1863, but it is unclear whether he exercised it. He was asked by a Jephtha Fowckes to help get cotton through the blockade, but again it is unclear whether Weed did so. His documented cotton activity began in 1864. Weed linked up with two traders hoping to get out a combined 450,000 bales of cotton. Unfortunately for Weed, the two traders were interrogated by the Congressional investigation on trade with rebellious states, exposing his activities. Later, Weed and Lincoln's friend, Swett, began their joint endeavors. They organized a Florida venture with some other New York traders while also trading in Memphis. Perhaps Weed hesitated in getting directly involved with the cotton trade until he thought that the North was assured of winning the war (or perhaps he feared the end of cotton's profitability with the war's nearing conclusion).

Even though Edwin Morgan realized that the cotton trade was scandalous, he, himself, was involved in the trade with Lincoln confidant, Orville Browning. Browning was a one-time Illinois senator and later cabinet member. Morgan also became a senator and, ironically, ended on the committee investigating trade with rebellious states. As historian Ludwell Johnson put it, "He asked very few questions" [Johnson, 1963a, p. 95]. Entangled with Browning and Morgan was Judge James Hughes, who often adjudicated claims concerning captured cotton. These prominent men teamed with James Singleton, who was to travel to Richmond (with the administration's approval and official permission) to make contracts to get cotton, tobacco, and other southern staple

products. As Browning wrote in his diary, he discussed the proposed venture with Lincoln, pointing out that this was "a scheme out of which he [Lincoln], Singleton, Judge Hughes of the Court of Claims, Senator Morgan, myself and some others, hope to make some money, and do the country some service." Lincoln approved of the venture and said, "he wanted to get out all [the produce] he could, and send in all the Green backs he could in exchange" [Browning, 1933, Vol. II, pp. 1, 5]. Lincoln gave Singleton and Hughes the necessary passes to go through Union lines to Richmond and to return with southern goods. This incident is interesting in that it is the only venture that implies that Lincoln might make some money, but there is no other evidence that Lincoln ever profited from the cotton trade. Browning believed that the trade was harmless, especially when Greenbacks were used in payment; indeed, he believed that the trade made southerners more "interested in [the Federal] government and [becoming] its friend," leading to demoralization. Thus, Browning, like most traders, donned the flimsy cloak of respectability afforded by the administration's announcements regarding the nation's need for cotton, thereby warding off criticisms of their trade activities. Ultimately Singleton's efforts were futile, as the produce he contracted for was burned in the final days of the war [Browning, 1933, Vol. II, pp. 10-12, 25-26].

Lincoln drafted an order for William Butler, a longtime friend, and several other men, including several from Louisiana, permitting them to move their cotton through Union lines in Louisiana [Lincoln, 1953, Vol. VII, pp. 213-14]. Although the record is unclear whether Lincoln formally signed this draft, such presidential orders were highly coveted. While Treasury permits were important, an order from the President generated greater cooperation from local authorities and facilitated getting cotton out of the South, thereby lowering costs. In testimony before a Congressional committee, former Treasury clerk turned cotton trader Thomas Conatty admitted that "the special value of the permit arose...from the fact that it had Mr. Lincoln's order accompanying it." Conatty was involved in a group of traders who had altered a Treasury permit with Lincoln's signature—changing the amount from 15,000 to 50,000 bales and also changing a name on the permit—all without the President's knowledge [U.S. House, 1864-65, pp. 38-39, 202].

Although Ludwell Johnson repeated the cliché that the "war corrupted men," he amended it to say that, "men also corrupted the war" [Johnson, 1966, p. 115]. Yet, many of the tactics used were continuations of antebellum and postbellum antics. Using connections to gain advantages was not novel, and Lincoln and others may have seen the cotton trade as a way to help the national cause while simultaneously helping them politically. Indeed for many of these men, it was "business as usual." Corruption did not arise with the Gilded Age, but rather was a continuous process. Certainly some of the players were the same: Thurlow Weed and Benjamin Butler, for instance. Weed and General Butler had been involved in odious wartime profiteering at the very beginning of the war. Indeed, Weed's Albany political machine was well-placed to take

advantage of the profitable opportunities afforded by the war, and one might have been more surprised if such trade did not attract such men.

A Congressional investigation called several witnesses who admitted being involved with the cotton trade. Aside from Charles Hawks, none of the witnesses had ever been involved in growing or trading cotton prior to the war. Their occupations ranged from farmer to Vice President of a railroad company to former Minister to Mexico. A few identified themselves as speculators.

Nor were businessmen, lawyers, and politicians who had never grown or traded cotton before 1861 the only ones affected by the desire for quick riches. The Congressional debate concerning the July 1864 regulations excoriated some naval officers for confiscating cotton along southern rivers and declaring such cotton "prizes of war," thereby preventing the Federal government from reaping the benefits of such confiscations (while enriching the officers) [*Congressional Globe*, 1864-65, 38th Cong., 2nd sess., pp. 1349, 1350-56 and 1st sess., pp. 2821-22, 3323; Gordon, 1882, p. 325]. Generals, though, were not immune to the trade's charms either, as witness the careers of Benjamin Butler, John A. Dix, Napoleon Dana, and Samuel Curtis [Browning, 1925, Vol. I, pp. 573, 579, 583]. The military was destined to be involved regardless of whether officers wanted to be or not. As Senator Grimes of Iowa pointed out, since the trade permit system was largely designed to get cotton from areas not under Union control, the traders needed assistance from the local military commanders [*Congressional Globe*, 1864-65, 38th Cong., 2nd sess., p. 1350]. However, some of the military officers proved as venal and corrupt as any civilian. General Butler and his brother, Andrew, gained widespread notoriety for their attempts to profit from cotton, although the General was too astute to ever be directly implicated. General Dana allowed his brothers-in-laws to trade in cotton within his military district, while threatening or blackmailing other traders. According to cotton trader John Morse, General Dana had threatened him prior to his testimony before the Congressional committee, so the trader did not immediately answer the question whether he had ever paid anything to officers of the army for getting cotton out. Later he described some of the army officers' tactics: arbitrary arrest, blackmail masquerading as taxes, and the incurring of legal fees (\$20,000 total in his case) [U.S. House, 1864-65, pp. 94-97, 109-10, 113; Johnson, 1966, pp. 112-14; Johnson, 1963b]. Morse claimed that hospital dues, warehouse fees, and militia fees were levied against his and other traders' cotton, even though the hospitals and militia were supported by the government and did not need or receive any fees. The warehouse fee was applied arbitrarily, whether or not cotton was stored [U.S. House, 1864-65, pp. 118-19].⁴

Many military officers were opposed to the trade. Generals William Sherman, Ulysses Grant, and Edward Canby were staunch opponents, although Sherman initially approved of small growers around Memphis bringing in

⁴ See also the testimony of John Finnell, adjutant general of Kentucky, pp. 73-74.

enough cotton to sustain their families. Canby blasted the trade policy, claiming that it corrupted heretofore honest men, causing them to, "barter the cause of which [the army] is fighting, with all the baseness of Judas Iscariot, but without his remorse" [U.S. House, 1864-65, p. 4]. These officers did what they could to deter trading. Edwin Stanton and Gideon Welles took their time in promulgating orders to their officers after Lincoln and Fessenden's orders of September 1864. Because of the delay in implementing the trade permit system, traders often resorted to seeking executive orders from Lincoln (who issued perhaps forty of these orders) [U.S. House, 1864-65, pp. 181, 202].

Some of the Treasury agents were unwilling to deny themselves the benefits of the trade, as the legislators clearly perceived [*Congressional Globe*, 1864-65, 38th Cong. 1st sess., p. 2823]. Some agents were selected on the basis of recommendations by prominent northerners, including Lincoln. William Orme was appointed agent at Vicksburg; he had Lincoln's effusive recommendation: "one of the most active, competent, and best men in the world" [Lincoln, 1953, Vol. V, p. 353].⁵ Hanson Risley was an associate of Weed and Secretary of State William Seward. Cotton traders accused George Ellery, Treasury agent at Memphis, of corruption. He allegedly bought and sold cotton with a six cents differential. Traders were willing to buy back cotton from Ellery as it was then not subject to the 25% tax [U.S. House, 1864-65, pp. 55, 119]. Despite these compromised Treasury agents, some legislators did not want to terminate all trade, recognizing that citizens living along the Mississippi would be unfairly burdened by trade regulations as they needed the trade to survive. But an opponent of the trade, Senator Benjamin Wade of Ohio, decried the favoritism inherent in the permit system and advocated either closing the trade entirely or letting everyone participate [*Congressional Globe*, 1864-65, 38th Cong., 2nd. sess., p. 1353].

Aside from the rapaciousness of Federal officials, traders faced other obstacles in getting goods to southerners and getting cotton north. While some Federal generals, such as Benjamin Butler and John A. Dix, encouraged the cotton trade, their efforts were partially stymied by Confederate and state authorities who discouraged citizens from trading. Jefferson Davis was ambivalent towards the trade and never fully embraced the need for it. In many cases, southern authorities were for government-run trade and attempted to deter private trading. Growers had to evade or bribe the cavalry pickets assigned to stop trade. Guerilla groups often preyed upon growers and traders and sometimes extorted \$50 to \$75 per bale; these groups were usually mere outlaws acting without military authority. In addition, southern authorities burned large quantities of raw cotton that was in the path of invading Federal soldiers [U.S. War Department, 1880-1900, Ser. I, Vol. 15, pp. 504-10; Vol. 26, pt. ii, pp. 434-36; and Vol. 48, pt. i, p. 1316]. If the traders could get a southern intermediary who could get the Confederate government to cooperate, then the costs of

⁵ See Vol. VII, p. 156 for Lincoln's recommendation of Charles Hawks for another Treasury agent position.

trading would diminish. James Singleton and Beverley Tucker supposedly had such influence with southern leaders, and northern traders, such as Swett, Lamon, and Weed, hoped to use these men to facilitate getting southern products out. Meanwhile, other traders simply met with local Confederate officers and negotiated transactions, usually taking in militarily useful provisions and manufactured goods. One trader not-so-candidly described his meeting with a Confederate commissary officer at a "fish fry," but he claimed that the conversation never turned to such mundane topics as trade [U.S. House, 1864-65, pp. 132, 147-48, 187-94].

Conclusions

The tightening Federal naval blockade created potential for spectacular profits for those who could obtain and transport cotton cheaply. A total ban on trade would have only magnified the potential profits and would have likely created a greater impetus for illicit smuggling and its attendant evils.

Lincoln wanted to use cotton, and perhaps he believed that even greed could be used to further the national interest. Lincoln, himself, was scrupulous about his personal finances [French, 1989, p. 382; Donald, 1995, p. 313, 325]. Why did a man with such personal integrity eventually countenance a system that became rife with abuse and corruption? Why did he grant favored treatment to so many friends and associates in obtaining permits? In comparison, Jefferson Davis was so strict regarding cotton that he didn't help his older brother, Joseph, in preserving their stocks of cotton from being burned [Hermann, 1990, p. 105].

In an ironic twist, General Grant saw and condemned the corruption inherent in the trade, but later he became renown for an administration characterized by his associates' corruption. Lincoln oversaw a system whereby his associates gained even at the possible cost of prolonging the war, but we revere him as "Honest" Abe. Lincoln was at least sensitive to the potential scandal from the cotton trade. On some instances he refused to issue permits because of the impropriety involved. Still, the cotton trade, with its attendant profitability, probably posed too great a temptation for any set of men to avoid some sinful behavior; Lincoln was not surrounded by saints.

Moreover, the attempts to get cotton and the methods for apportioning permits served critical local interests. Massachusetts and New York were critical states for the Republicans in 1864. The Massachusetts cotton textile manufacturers needed cotton to stay in business, and Lincoln was loathe to abandon them. New York was not safely Republican, and Lincoln needed to insure the support of men such as Thurlow Weed (Lincoln won the state by fewer than 7,000 votes). But satisfying local interests was a risky strategy. Grant's military strategy was to pin Lee down and starve him out by cutting the supply lines from the South; by allowing the trading of food supplies for cotton in southern Virginia, Lincoln's cotton policies were undermining Grant's strategy at a time when war-weariness was at its peak. By helping Massachusetts and

New York manufacturers and traders, Lincoln was putting the war effort at risk. Fortunately for him, his military leaders won vital victories before the 1864 election, maintaining the Union cause, but the margin for error was slender.

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